



WELLESLEY
PETROLEUM



Verification Report: FRANK'S INTERNATIONAL INC.

Casing Running Services

AUDITEE					
FRANK's International Inc.					
Verification NO.					
EX-2018-01 / KALL-WLSLY-S-RA-0102					
APPROVAL					
Rev.no	Date:	Auditor:	QA by:	Auditee:	Comments:
00	08/02/2018	L. Lilledal	M. Simpson C. Smyth M. Laget	G. Åkesson	Issued for use

Contents

1. Introduction.....	3
1.1. Objectives.....	3
1.2. Deviations	3
1.3. Warrant	3
1.4. Participants	3
1.5. Audit Process.....	3
2. Findings.....	4
2.1. Categories of findings.....	4
2.2. Topics & Findings	5

1. Introduction

FRANK's plans and conducts tubular running operations for their customers. The company is well established on the Norwegian continental shelf and has or have had most of the North Sea operators on their customer list.

1.1. Objectives

The following objectives were set for the FRANK's verification:

1. Ensure FRANK's operational performance meets industry standards and Wellesley expectations. Assure internal FRANK's processes on HSE and operational performance are being actively used as intended.
2. Ensure that FRANK's has the capacity, resources and knowledge to provide Wellesley with the expected service levels and quality, given the current market conditions.
3. Verify FRANK's has gotten information required from Well Expertise and Wellesley to plan for 2018 operations as far as equipment need and availability.
4. Satisfy verification requirements for Wellesley and Well Expertise project execution

1.2. Deviations

The verification was performed as planned.

1.3. Warrant

The verification is warranted in the Well Expertise/Wellesley audit & verification plan for 2018.

1.4. Participants

Role	Name	Position	Company
Auditor	Lars Lilledal	Snr. Drilling Advisor	Wellesley Petroleum
Auditor	Morten Laget	Drilling Engineering Manager	Well Expertise
Auditee	Gøran Åkesson	BD Manager	FRANK's
Auditee	Renate Næssvold	QHSE Manager	FRANK's
Auditee	Frode Anda	Senior Advisor	FRANK's

1.5. Audit Process

Short description of process:

- Verification – FRANK's premises, Forus. February 8th 2018. 14.00 – 16.00
- Summary verbal feedback – immediately after audit
- Report – issued 02st March 2018

2. Findings

2.1. Categories of findings

Findings are categorised as:

- Non-Conformance (NC)
- Observation (O)
- Improvement Suggestion (IMP)

Non-conformances are classified as:

- Major (MA)
- Significant (S)
- Minor (M)

Identified non-conformances, observations and improvement suggestions are presented in the tables below.

Table 1 Non-Conformances

NC No.	Description	Ref.	Responsible	Classification
	None			

Table 2 Observations

Obs. No.	Description	Ref.	Responsible
	None		

Table 3 Improvement Proposals

Imp. No.	Description	Ref.	Responsible
	None		

The reported non-conformances, observations or improvement proposals shall be followed up as soon as possible. All relevant actions and/or mitigating measures shall be identified (including action owner and due date) within 30 days after receipt of report.

2.2. Topics & Findings

1) HSE & Performance

An overview of FRANK's QHSE work and safety culture were provided covering the following items:

- General safety information on escape routes, muster areas and location of a defibrillator were given
- FRANK's "STOP WORK AUTHORITY" philosophy was explained
- FRANK's "safety awareness" mind set was presented
- FRANK's rules and regulation for visitors on the yard was explained and reviewed

FRANK's has currently contracts for ConocoPhillips, AkerBP, Statoil, Spirit Energy, Lundin, Total and OMV

To date on the Transocean Arctic FRANKs has done 45 jobs with totally 4800 connections. The overall NPT has been 5.75 hrs. The KPIs for 2018 & 2017 history is summarized on picture below:

KPI's & Measurements Date/Year

Description	Measured in	Target	2017	2018 YTD.
TRIR Offshore Recordables	Rate	0	0	0
OBS / PSI reporting	Rate	1	0,89	1,09
Dropped objects	No.	0	0	0
Loss of containment	No.	0	0	0
SJA or Toolbox talks done rig up, Run & Rig down	%	100	100	100
Sick leave Frank's Offshore Crew	%	< 3	0	0
Frank's QC Internal Inspections	%	100	100	100
Offshore days delivered	No.	NA	1061	58
NCR' issued to Frank's	No.	0	0	0
Equipment Failure Reports	No.	0	27	0
Operations hours	Hrs.	NA	1033,85	67,75
NPT	Hrs.	0	5,75	1,5
NPT Rate (NPT hrs/Ops. Hrs.)	Rate	0	0,006	0,022

2) Capacity & resources

FRANK's has sufficient capacity and recourses to fulfil all their running contracts. The Sandnes facility was built in 2011 and includes everything a modern work shop shall have. See cut form presentation below:

Frank's International Facility & Capacity

The facility consists of offices, workshops, a yard and two warehouses and includes:

- Steam/ Wash Bay c/w drainage
- Wheelabrator, Table machine, model: RT2/3/2500, table capacity 5,000KG
- Painting area and painting shop
- 11 Mechanic workstations
- Storage Area
- CAM/ Computer Lab
- Training Well
- Pneumatic System
- Fill-Up Tool Station
- Interceptor
- MPI/ Inspection Centre
- Welding Station
- Forklifts (SWL 3 Tonnes and SWL 10 Tonnes)
- 4 Overhead Crane 10 Tonnes, 4 jib crane workshop SWL 5T
- 5 Pedestal Crane Workshop SWL 5 Tonnes
- Ventilation Room
- Dressing Room



The FRANK's coordinator will follow the Transocean Arctic when it comes from AkerBP and he is to be dedicated through the entire Wellesley drilling campaign. FRANK's is currently onboard the Transocean Arctic now and equipment and procedures are already well established. FRANK's also suggested to keep the crew supervisors currently working onboard for the Wellesley campaign. This will be discussed further.

Had a tour around the work shop to see planned casing running equipment to be utilized as well as to get a general feeling of how FRANK's ran the work shop. The impression is that the work shop was kept clean, well organized and built for purpose to have the tool handling as automated as possible.

3) Wellesley Drilling Campaign 2018

A presentation of Wellesley and work scope were given in the meeting as a starting point and overview on what it is we are going to drill. FRENK's was informed that Vallourec will be delivering the casings and that below the top hole, all connections will be Vam21. We also expressed the need/desire for a circulation & fill up tool while running the casings. Further technical meetings will be held as planning progresses

4) Summary

Got a good impression of FRANK's as a company and in the way that work. The fact that Frank's already onboard the Transocean Arctic and performs well is also very good to know and we will build on this performance in the Wellesley campaign.

5) AOB

N.T.R